



General Assembly

January Session, 2005

Raised Bill No. 1297

LCO No. 4411

04411_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING MANAGED CARE GRIEVANCE PROCEDURES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-478m of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) Each managed care organization shall establish and maintain an
4 internal grievance procedure to assure that enrollees may seek a
5 review of any grievance that may arise from a managed care
6 organization's action or inaction, other than action or inaction based on
7 utilization review, and obtain a timely resolution of any such
8 grievance. Such grievance procedure shall comply with the following
9 requirements:

10 (1) Enrollees shall be informed of the grievance procedure at the
11 time of initial enrollment and at not less than annual intervals
12 thereafter, which notification may be met by inclusion in an enrollment
13 agreement or update. [Enrollees] Each enrollee and the enrollee's
14 provider shall also be informed of the grievance procedure when a
15 decision has been made not to certify an admission, service or

16 extension of stay ordered by the provider.

17 (2) Notices to enrollees and providers describing the grievance
 18 procedure shall explain: (A) The process for filing a grievance with the
 19 managed care organization, which may be communicated orally,
 20 electronically or in writing; (B) that the enrollee, or a person acting on
 21 behalf of an enrollee, including the enrollee's health care provider, may
 22 make a request for review of a grievance; and (C) the time periods
 23 within which the managed care organization must resolve the
 24 grievance.

25 (b) All reviews conducted under this section shall be resolved not
 26 later than sixty days from the date the enrollee or person acting on
 27 behalf of the enrollee commences the complaint, unless an extension is
 28 requested by the enrollee or person acting on behalf of the enrollee.

29 (c) A managed care organization that fails to provide notice of the
 30 resolution of a complaint within the time provided in subsection (b) of
 31 this section shall be fined twenty-five dollars for each failure to
 32 provide notice. Any fines collected under this section shall be paid to
 33 the Insurance Commissioner and deposited in the Insurance Fund
 34 established in section 38a-52a. The amount of such fines shall be
 35 allocated to the Office of Managed Care Ombudsman for the purposes
 36 set forth in section 38a-1041.

37 Sec. 2. Section 38a-816 of the general statutes is amended by adding
 38 subdivision (22) as follows:

39 (NEW) (22) Any violation of section 38a-478m, as amended by this
 40 act.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2005	38a-478m
-----------	-----------------	----------

Statement of Purpose:

To revise the requirements regarding internal grievances of managed care determinations and increase the penalties for failure to meet such requirements.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]